

MONDAY, APRIL 3, 1995

TWENTY-EIGHTH LEGISLATIVE DAY

The House met at 5:00 p.m. and was called to order by Mr. Speaker Naifeh.

The proceedings were opened with prayer by the Reverend Rick Roberts, First Baptist Church, Smithville, Tennessee.

Representative Buck led the House in the Pledge of Allegiance to the Flag.

ROLL CALL

The roll call was taken with the following results:

Present 94

Representatives present were: Armstrong, Arriola, Beavers, Bell, Bird, Bittle, Bowers, Boyer, Bragg, Brooks, Brown, Buck, Burchett, Byrd, Callicott, Cantrell, Chumney, Clabough, Coffey, Cole (Carter), Cole (Dyer), Cross, Curtiss, Davidson, Davis, DeBerry, J., Dunn, Eckles, Fitzhugh, Ford, Fowlkes, Givens, Gunnels, Haley, Halteman, Harwell, Hargrove, Hassell, Head, Herron, Hicks, Huskey, Jackson, Jones, S., Jones, U. (Shelby), Joyce, Kent, Kernell, Kerr, Kisber, Langster, Lewis, McAfee, McDaniel, McDonald, McKee, McMillan, Miller, Napier, Newton, Odom, Patton, Peach, Phelan, Phillips, Pinion, Pruitt, Purcell, Ramsey, Rhinehart, Ridgeway, Rigsby, Rinks, Ritchie, Roach, Robinson, Sharp, Shirley, Stamps, Stulce, Tindell, Towns, Turner (Hamilton), Venable, Walley, West, Westmoreland, White, Whitson, Williams (Union), Williams (Williamson), Windle, Winningham, Wood, Mr. Speaker Naifeh -- 94.

EXCUSED

The Speaker announced that the following member(s) has/have been excused, pursuant to request(s) under **Rule No. 20**:

Representative Duer; personal reasons.

Representative DeBerry L; death in family.

Representative Garrett; illness.

PRESENT IN CHAMBER

Representative(s) Turner (Shelby) was/were recorded as being present in the Chamber.

SPONSORS ADDED

Under **Rule No. 43**, the following members were permitted to add their names as sponsors as indicated below, the prime sponsor of each having agreed to such addition:

House Joint Resolution No. 193: Rep. Kent as prime sponsor(s).

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House Bill No. 66: Rep(s). Stulce, Turner (Hamilton) and Naifeh as prime sponsor(s).

House Bill No. 1495: Rep(s). Langster and Brooks as prime sponsor(s).

House Bill No. 1496: Rep(s). Brooks as prime sponsor(s).

House Bill No. 1790: Rep(s). Callicott, Huskey, Kisber and Bittle as prime sponsor(s).

MESSAGE FROM THE GOVERNOR

April 3, 1995

MR. SPEAKER: I am directed by the Governor to return herewith: House Bill(s) No(s). 1189, with his approval.

HARDY MAYS, Counsel to the Governor.

MESSAGE FROM THE SENATE

April 3, 1995

MR. SPEAKER: I am directed to transmit to the House, Senate Joint Resolution(s) No(s). 32; adopted for concurrence.

CLYDE W. McCULLOUGH, JR., Chief Clerk.

Senate Joint Resolution No. 32 -- Memorials, Sports -- Patrick J. Wrenn. by *Person, *Kyle, *Cohen.

MESSAGE FROM THE SENATE

April 3, 1995

MR. SPEAKER: I am directed to transmit to the House, Senate Joint Resolution(s) No(s). 101 and 102; both adopted for concurrence.

CLYDE W. McCULLOUGH, JR., Chief Clerk.

Senate Joint Resolution No. 101 -- Memorials, Sports -- Coach Pat Head Summitt, 1995 Southeastern Conference Coach of the Year. by *Cohen, *Atchley, *Burks, *Carter, *Cooper, *Crowe, *Crutchfield, *Dixon, *Elsea, *Ford J, *Fowler, *Gilbert, *Hamilton, *Harper, *Haun, *Haynes, *Henry, *Holcomb, *Jordan, *Koella, *Kyle, *Leatherwood, *McNally, *Miller J, *O'Brien, *Person, *Rice, *Rochelle, *Springer, *Wallace, *Wildier, *Womack, *Wright.

Senate Joint Resolution No. 102 -- Sports -- Nikki McCray, 1995 SEC Player of the Year in Women's Basketball. by *Cohen, *Atchley, *Burks, *Carter, *Cooper, *Crowe, *Crutchfield, *Dixon, *Elsea, *Ford J, *Fowler, *Gilbert, *Hamilton, *Harper, *Haun, *Haynes, *Henry, *Holcomb, *Jordan, *Koella, *Kyle, *Leatherwood, *McNally, *Miller J, *O'Brien, *Person, *Rice, *Rochelle, *Springer, *Wallace, *Wildier, *Womack, *Wright.

RESOLUTIONS

Pursuant to Rule No. 17, the following resolution(s) was/were introduced and placed on the Consent Calendar for April 5, 1995:

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House Joint Resolution No. 203 -- Memorials, Retirement -- Don Daugherty, Sr. by *Windle.

House Joint Resolution No. 205 -- Memorials, Sports -- Coach Ray Hampton, Waverly High School football team. by *Williams (Williamson).

SENATE JOINT RESOLUTIONS
(Congratulatory and Memorializing)

Pursuant to Rule No. 17, the resolution(s) listed was/were noted as being placed on the Consent Calendar for April 5, 1995:

Senate Joint Resolution No. 101 -- Memorials, Sports -- Coach Pat Head Summitt, 1995 Southeastern Conference Coach of the Year. by *Cohen, *Atchley, *Burks, *Carter, *Cooper, *Crowe, *Crutchfield, *Dixon, *Elsea, *Ford J, *Fowler, *Gilbert, *Hamilton, *Harper, *Haun, *Haynes, *Henry, *Holcomb, *Jordan, *Koella, *Kyle, *Leatherwood, *McNally, *Miller J, *O'Brien, *Person, *Rice, *Rochelle, *Springer, *Wallace, *Wildier, *Womack, *Wright.

Senate Joint Resolution No. 102 -- Sports -- Nikki McCray, 1995 SEC Player of the Year in Women's Basketball. by *Cohen, *Atchley, *Burks, *Carter, *Cooper, *Crowe, *Crutchfield, *Dixon, *Elsea, *Ford J, *Fowler, *Gilbert, *Hamilton, *Harper, *Haun, *Haynes, *Henry, *Holcomb, *Jordan, *Koella, *Kyle, *Leatherwood, *McNally, *Miller J, *O'Brien, *Person, *Rice, *Rochelle, *Springer, *Wallace, *Wildier, *Womack, *Wright.

INTRODUCTION OF BILLS

On motion, the following bills were introduced and passed first consideration:

House Bill No. 1868 -- Gallatin -- Subject to local approval, prohibits mayor or aldermen from holding office while employed by city or holding other publicly elected office. Amends Chapter 67 of the Private Acts of 1953, as amended. by *Stamps.

SENATE BILLS TRANSMITTED

On motion, the Senate Bills listed below, transmitted to the House, were held on the Clerk's desk pending third consideration of the companion House Bill:

*Senate Bill No. 218 -- Wine, Wineries -- Increases from 20,000 to 40,000 gallons annual limit of wine that Tennessee wineries may sell at their production premises at retail sale. Amends TCA Title 57, Chapter 3, Part 2. by *O'Brien, *Henry, *Rice.

*Senate Bill No. 491 -- Sunset Laws -- State textbook commission, June 30, 2003. Amends TCA Title 4, Chapter 29; Title 49, Chapter 6. by *Haynes.

*Senate Bill No. 803 -- Budget Procedures -- Permits direct appropriation grant disbursement only after receipt of plan of activity and approval by commissioner of finance and administration. Amends TCA Title 9, Chapter 6, Part 1. by *Harper.

***Senate Bill No. 864** -- Medical Occupations -- Clarifies that board of electrology does not have authority or jurisdiction to regulate practice of medicine or dermatology or electrologists employed by physicians, dermatologists or osteopaths unless such employed persons are holding themselves out to be licensed electrologists. Amends TCA Title 63, Chapter 26. by *Henry, *McNally, *Atchley, *Crowe, *Person.

Senate Bill No. 964 -- Traffic Safety -- Adds local governmental entities to list of entities that may assess fee for conducting driver improvement course; fee not to exceed \$50.00 and must be conducted by government or 501(c)(3) corporation; no one shall be refused admittance for inability to pay. Amends TCA Section 55-10-301. by *Haynes.

***Senate Bill No. 1561** -- Motor Vehicles, Titling and Registration -- Authorizes issuance of special license plates for graduates of Arkansas State University. Amends TCA Title 55, Chapter 4. by *Kyle.

***Senate Bill No. 1679** -- Motor Vehicles, Titling and Registration -- Expands cultural motor vehicle registration plate promotional campaign to require inclusion of illustration and explanation of each plate in license renewal applications. Amends TCA Title 55, Chapter 4, Part 3. by *Cohen.

Senate Bill No. 1780 -- Unemployment Compensation -- Establishes procedures for charging employer's experience rating account in certain circumstances. Amends TCA 50-7-205(a), 207(c)(6), 403(d)(1). by *Elsea, *Rice, *Atchley, *McNally, *Miller J.

HOUSE BILLS ON SECOND CONSIDERATION

On motion, bills listed below passed second consideration and were referred by the Speaker to Committee or held on the Clerk's desk as noted:

House Bill No. 1866 -- Crockett County -- Local Bill Held on House Desk

CONSENT CALENDAR

Senate Joint Resolution No. 13 -- Naming and Designating -- Recommends governor to proclaim April 22, 1995 as "Youth Service Day". by *Cooper, *Crowe, *Kyle, *Womack.

***House Joint Resolution No. 91** -- Naming and Designating -- "Breast Cancer Awareness Month," October; "Breast Exam and Mammography Awareness Day," October 19, 1995. by *Chumney.

***House Joint Resolution No. 114** -- Memorials, Congress -- Memorializes Congress to enact "Truth in Budgeting Act" which removes trust funds from general fund budget. by *Cole (Dyer), *Rinks, *Fowlkes.

House Bill No. 934 -- County Government -- Permits any county to locate county highway department garage outside boundaries of county town but within boundaries of county; removes authority for such action to occur in specific counties designated by population. Amends TCA Section 5-7-105. by *Cole (Dyer), *Buck, *Fowlkes, *Rhinehart, *Westmoreland, *Winningham, *Davis, *Callicott, *Huskey, *Rinks (*SB1006 by *Hamilton).

House Bill No. 75 -- Taxes, Gasoline, Petroleum Products -- Clarifies reciprocal agreements may be entered into to allow noncommercial vehicles to transport antique vehicles or farm equipment to and from shows or exhibitions without purchasing temporary fuel permit; present law requires purchase; does not apply to for hire carriers. Amends TCA 67-3-711. by *Phillips (*SB45 by *Womack).

House Bill No. 66 -- Highway Signs -- "Mayo Wix Memorial Highway," S.R. 52, Sumner County. by *McDonald, *Bell, *West, *Head, *Rhinehart, *DeBerry J, *Fitzhugh, *Curtiss, *Chumney, *White, *Callicott, *McDaniel, *Bragg, *Westmoreland, *Rigsby, *Stamps, *Davidson, *McAfee, *Fowlkes, *Odum, *Jones U (Shelby), *Arriola, *Robinson, *Halteman Harwell, *Pruitt, *Bowers, *Boyer, *Hassell, *Bird, *Miller L, *Shirley, *Jones, S., *Coffey, *Hargrove, *Garrett, *Ramsey (SB71 by *Wright, *Rochelle, *Haynes, *Harper, *Womack).

On motion, House Bill No. 66 was made to conform with **Senate Bill No. 71**; the Senate Bill was substituted for the House Bill.

House Bill No. 282 -- Taxes, Real Property -- Provides that recordation tax not due until title to property transferred by deed. Amends TCA 67-4-409. by *Clabough (*SB112 by *Koella, *Cohen).

On motion, House Bill No. 282 was made to conform with **Senate Bill No. 112**; the Senate Bill was substituted for the House Bill.

House Bill No. 226 -- Estates -- Increases from \$3,500 to \$5,000 amount of money bank may pay certain creditors when no executor or administrator of deceased bank depositor has qualified. Amends TCA 452-708. by *Garrett (*SB385 by *Ford).

On motion, House Bill No. 226 was made to conform with **Senate Bill No. 385**; the Senate Bill was substituted for the House Bill.

House Bill No. 974 -- Highway Signs -- Provides for erection of highway signs for radio stations that broadcast public service information relative to weather conditions, travel and road conditions and/or tourism related sites and facilities in area. by *Duer, *Curtiss (*SB1248 by *O'Brien).

On motion, House Bill No. 974 was made to conform with **Senate Bill No. 1248**; the Senate Bill was substituted for the House Bill.

House Bill No. 1192 -- Public Funds and Financing -- Removes requirement that county legislative body must approve appropriation to nonprofit organization which is not charitable organization at two consecutive regularly scheduled meetings. Amends TCA 5-9-109. by *Kisber, *Fowlkes, *Callicott, *Pinion, *Curtiss, *Ford S, *Patton, *Hicks (*SB955 by *Rochelle).

On motion, House Bill No. 1192 was made to conform with **Senate Bill No. 955**; the Senate Bill was substituted for the House Bill.

House Bill No. 1351 -- Taxes, Real Property -- Clarifies that payment in full of property tax by delinquency date is not a condition of eligibility for tax relief; permits director of division of property assessments to waive deadline for good cause. Amends TCA Section 67-5-701. by *Kisber (*SB1019 by *Henry).

***House Joint Resolution No. 78** -- General Assembly, Directed Studies -- Requests department of environment and conservation to study costs, feasibility and state government's role in restoration and continued preservation of Readyville Mill. by *Buck, *Bragg.

House Bill No. 1340 -- Architects and Engineers -- Requires all licenses of architects, engineers, landscape architects and interior designers to be renewed every two years. Amends TCA Section 62-2-307. by *Garrett (*SB1027 by *Haynes).

House Bill No. 950 -- Education -- Prohibits policy manual or statute from being construed to prohibit fund-raisers that benefit less than student body as whole if principal or school board approves fund-raiser and if it benefits school's overall academic program through acquisition of supplies, equipment, computers, books, and/or enrichment opportunities for one or more classrooms. Amends TCA 49-2-110. by *Davis, *Roach, *Huskey (*SB219 by *Haun, *Wallace).

On motion, House Bill No. 950 was made to conform with **Senate Bill No. 219**; the Senate Bill was substituted for the House Bill.

***House Bill No. 570** -- Parks, Natural Areas Preservation -- Adds new areas to be designated Class II natural scientific areas; increases acreage of certain natural scientific areas. Amends TCA 11-14-108. by *Bragg (SB586 by *Henry).

On motion, House Bill No. 570 was made to conform with **Senate Bill No. 586**; the Senate Bill was substituted for the House Bill.

House Bill No. 1454 -- Hospitals and Health Care Facilities -- Includes clinics operated under authority of local or regional health departments in definition of "hospital" under Medical Records Act of 1974. Amends TCA Section 68-11-302(4). by *Stulce (*SB203 by *Crutchfield).

Senate Joint Resolution No. 110 -- Naming and Designating -- "Rural Health Month," April 1995. by *Hamilton.

House Bill No. 1846 -- Kingsport -- Subject to local approval, revises city charter relative to duties of city manager, public works contracts, passage of ordinances, and administrative head of government. Amends Chapter 76, Private Acts of 1917, as amended. by *Westmoreland, *Ramsey, *Venable.

House Bill No. 1854 -- Harriman -- Subject to local approval, authorizes hotel/motel tax. by *Cantrell (SB1843 by *O'Brien).

House Bill No. 1855 -- Ridgely -- Changes term of office from two to four years for mayor and aldermen. Amends Chapter 297 of the Private Acts of 1909, as amended. by *Pinion (SB1845 by *Hamilton).

House Bill No. 1857 -- Madison County -- Subject to local approval, expands list of eligible persons submitted by sheriff's department civil service commission to sheriff to include all qualified persons rather than top seven applicants. Amends Chapter 54, Private Acts of 1983, as amended. by *McDaniel (SB1848 by *Carter).

House Bill No. 1858 -- Madison County -- Subject to local approval, establishes position of highway engineer to be appointed by legislative body for four year term. by *McDaniel (SB1849 by *Carter).

House Bill No. 1859 -- Henderson County -- Changes monetary amount of county purchases or sales subject to bidding process from \$1,000 to maximum amount specified in County Purchasing Law. Amends Chapter 59, Private Acts of 1983. by *McDaniel (SB1847 by *Springer).

House Bill No. 1863 -- White Pine -- Extends term of mayor and aldermen to regular November 1996 election; establishes regular November election as date of municipal election; permits mayor and aldermen to set salary by ordinance. Amends Chapter 176, Private Acts of 1984. by *Roach (SB1844 by *Wallace).

House Joint Resolution No. 200 -- Memorials, Personal Achievement--Louise Franklin, First Lady of Loudon County. by *Gunnels.

House Joint Resolution No. 201 -- Memorials, Personal Occasion--Howard and Irene Garey, 65th wedding anniversary. by *Rinks.

House Resolution No. 40 -- Memorials, Personal Occasion--Steve and Renee Dail, Tenth wedding anniversary. by *Williams (Union).

House Resolution No. 41 -- General Assembly, Statement of Intent or Position--Commemorates 75th anniversary of passage of 19th Amendment to the U.S. Constitution providing for women's suffrage; creates special house committee to meet on August 18, 1995, for purpose of commemorating such occasion. by *DeBerry L, *Chumney, *Purcell, *McMillan, *Eckles, *Hassell, *Bowers, *Pruitt, *Jones, S., *Halteman Harwell, *Brooks, *Duer, *Langster, *Brown, *Beavers, *Turner (Hamilton).

Senate Joint Resolution No. 126 -- Memorials, Death -- Herbert Dean "Buck" Ross. by *Henry, *Atchley, *Burks, *Carter, *Cohen, *Cooper, *Crowe, *Crutchfield, *Dixon, *Elsea, *Ford J, *Fowler, *Gilbert, *Hamilton, *Harper, *Haun, *Haynes, *Holcomb, *Jordan, *Koella, *Kyle, *Leatherwood, *McNally, *Miller J, *O'Brien, *Person, *Rice, *Rochelle, *Springer, *Wallace, *Wilder, *Womack, *Wright.

Senate Joint Resolution No. 129 -- Memorials, Death -- Richard M. "Pek" Gunn, Tennessee Poet Laureate. by *Springer, *Henry, *O'Brien, *Harper, *Rochelle, *Cohen.

Senate Joint Resolution No. 133 -- Memorials, Public Service -- UPS Foundation for grant to Memphis Food Bank; West Tennessee District UPS employees for charitable contributions. by *Dixon, *Kyle, *Cohen.

Senate Joint Resolution No. 134 -- Memorials, Academic Achievement -- Amanda Leckner, Valedictorian, Gordonsville High School. by *Rochelle.

Senate Joint Resolution No. 135 -- Memorials, Academic Achievement -- Shelly Lorraine Coutts, Salutatorian Gordonsville High School. by *Rochelle.

Senate Joint Resolution No. 136 -- Memorials, Academic Achievement -- Jennifer Gaylord, Valedictorian, Smith County High School. by *Rochelle.

Senate Joint Resolution No. 137 -- Memorials, Academic Achievement -- Lesa JoAnn Graves, Salutatorian, Smith County High School. by *Rochelle.

Senate Joint Resolution No. 138 -- Memorials, Heroism -- Ben Johnson, World War II. by *Rochelle.

OBJECTION -- CONSENT CALENDAR

Objection(s) was/were filed to the following on the Consent Calendar:

House Bill No. 1854: by Rep. Cantrell.

Under the rules, House Bill No. 1854 was/were placed at the foot of the calendar for Wednesday, April 5, 1995.

Pursuant to Rule No. 50, Rep. Phillips moved that all House Bills having companion Senate Bills and are on the Clerk's desk be conformed and substituted for the appropriate House Bill, all Senate and House Bills on the Consent Calendar be passed on third and final consideration, all House Resolutions and House Joint Resolutions be adopted, and all Senate Joint Resolutions on the Consent Calendar be concurred in, which motion prevailed by the following vote:

Ayes	90
Noes	0
Present and not voting	1

Representatives voting aye were: Armstrong, Arriola, Beavers, Bell, Bird, Bittle, Bowers, Boyer, Bragg, Brooks, Brown, Buck, Burchett, Byrd, Callicott, Cantrell, Chumney, Clabough, Cole (Carter), Cole (Dyer), Cross, Curtiss, Davidson, Davis, DeBerry, J., Dunn, Eckles, Fitzhugh, Ford, Fowlkes, Givens, Gunnels, Halteman Harwell, Hargrove, Hassell, Head, Herron, Hicks, Huskey, Jackson, Jones, S., Jones, U. (Shelby), Joyce, Kent, Kerr, Kisber, Langster, Lewis, McAfee, McDaniel, McDonald, McKee, McMillan, Miller, Napier, Newton, Odom, Patton, Peach, Phelan, Phillips, Pinion, Pruitt, Purcell, Ramsey, Rhinehart, Ridgeway, Rigsby, Rinks, Ritchie, Roach, Robinson, Sharp, Shirley, Stamps, Stulce, Tindell, Turner (Hamilton), Venable, Walley, West, Westmoreland, White, Whitson, Williams (Union), Williams (Williamson), Windle, Winingham, Wood, Mr. Speaker Naifeh -- 90.

Representatives present and not voting were: Coffey -- 1.

A motion to reconsider was tabled.

REGULAR CALENDAR

House Bill No. 938 -- Appropriations -- Extends for period of five years Tennessee Intercollegiate State Legislature Foundation's present authority to carry unexpended state appropriated funds forward into subsequent fiscal years. Amends TCA 493-2002. by *Garrett, *Hassell, *Kernell, *Williams (Williamson) (*SB1451 by *Person, *Leatherwood, *Henry, *Harper).

Further consideration of House Bill No. 938, previously considered on March 15, 1995, March 16, 1995, March 20, 1995, and reset for today's Calendar.

Rep. Williams (Williamson) moved that **House Bill No. 938** be passed on third and final consideration, which motion prevailed by the following vote:

Ayes 89
Noes 0

Representatives voting aye were: Armstrong, Arriola, Beavers, Bell, Bird, Bittle, Bowers, Bragg, Brooks, Brown, Buck, Burchett, Byrd, Callicott, Cantrell, Chumney, Clabough, Coffey, Cole (Carter), Cole (Dyer), Cross, Curtiss, Davidson, Davis, DeBerry, J., Dunn, Eckles, Fitzhugh, Ford, Fowlkes, Givens, Gunnels, Haley, Halteman Harwell, Hargrove, Hassell, Head, Herron, Hicks, Huskey, Jackson, Jones, S., Jones, U. (Shelby), Joyce, Kent, Kerr, Kisber, Langster, Lewis, McAfee, McDaniel, McDonald, McKee, McMillan, Napier, Newton, Odom, Patton, Peach, Phelan, Phillips, Pinion, Pruitt, Purcell, Ramsey, Rhinehart, Ridgeway, Rigsby, Rinks, Ritchie, Robinson, Sharp, Shirley, Stamps, Stulce, Tindell, Turner (Hamilton), Venable, Walley, West, Westmoreland, White, Whitson, Williams (Union), Williams (Williamson), Windle, Winningham, Wood, Mr. Speaker Naifeh -- 89.

A motion to reconsider was tabled.

REQUEST TO CHANGE VOTE

Pursuant to **Rule No. 31**, the following member(s) desire to change their original stand from not voting to aye on House Bill No. 938 and have this statement entered in the Journal: Rep(s). Kernell.

CHAIR TO RINKS

Speaker Naifeh relinquished the Chair to Rep. Rinks.

REGULAR CALENDAR, CONTINUED

House Bill No. 1336 -- Environment and Conservation, Department of -- Increases number of members on air control board from 11 to 12; increases number of citizen members on water quality control board from five to six. Amends TCA 68-201-104, 69-3-104. by *Odom, *Cross, *Callicott, *Williams (Williamson), *Jones, S., *Kernell (*SB207 by *Crutchfield, *Leatherwood, *Wallace, *McNally, *Henry).

Rep. Odom moved that House Bill No. 1336 be reset to the Calendar for Wednesday, April 5, 1995, which motion prevailed.

***House Bill No. 1472 -- Education -- Establishes pilot project to develop youth leadership in Memphis Shelby County.** by *Chumney, *Bowers, *Byrd, *DeBerry L, *DeBerry J, *Towns, *Jones U (Shelby), *Haley, *Kernell, *Joyce (SB1591 by *Dixon).

Rep. Chumney moved that House Bill No. 1472 be passed on third and final consideration.

Rep. Byrd moved adoption of Health and Human Resources Committee Amendment No. 1 as follows:

Amendment No. 1

AMEND House Bill No. 1472 by adding the following new section immediately preceding the last section and by renumbering the subsequent section accordingly:

Section ____ . Within thirty (30) days of submitting the annual report to the members of the general assembly, the program director shall present the results of the pilot program to the house health and human resources committee and the senate general welfare, health and human resources committee. The program director shall include in the report recommendations for continuation or expansion of the program. To the extent, in the opinion of the program director, the program has been a success, the general assembly may at that time elect to expand the youth leadership program to include at least one (1) program based on the recommendations of the program director and the model established in this act in each of the three (3) grand divisions of the state.

On motion, Amendment No. 1 was adopted.

Rep. Chumney moved that **House Bill No. 1472**, as amended, be passed on third and final consideration, which motion prevailed by the following vote:

Ayes	89
Noes	0
Present and not voting	1

Representatives voting aye were: Armstrong, Arriola, Beavers, Bell, Bird, Bittle, Bowers, Boyer, Bragg, Brooks, Brown, Buck, Burchett, Byrd, Callicott, Cantrell, Chumney, Clabough, Coffey, Cole (Carter), Cole (Dyer), Cross, Curtiss, Davidson, Davis, DeBerry, J., Eckles, Fitzhugh, Ford, Fowlkes, Givens, Gunnels, Haley, Halteman, Harwell, Hargrove, Hassell, Head, Herron, Hicks, Huskey, Jackson, Jones, S., Jones, U. (Shelby), Joyce, Kent, Kernell, Kerr, Kisber, Langster, Lewis, McAfee, McDaniel, McDonald, McKee, McMillan, Napier, Newton, Patton, Phelan, Phillips, Pinion, Pruitt, Purcell, Ramsey, Rhinehart, Ridgeway, Rigsby, Rinks, Ritchie, Roach, Robinson, Sharp, Shirley, Stamps, Stulce, Tindell, Turner (Hamilton), Venable, Walley, West, Westmoreland, White, Whitson, Williams (Union), Williams (Williamson), Windle, Winningham, Wood, Mr. Speaker Naifeh -- 89.

Representatives present and not voting were: Dunn -- 1.

A motion to reconsider was tabled.

Senate Bill No. 392 -- Game and Fish Laws -- Allows mentally retarded persons receiving social security benefits to acquire sport fishing license without paying fee. Amends TCA 70-2-104. by *Burks (*HB103 by *Windle, *Boyer, *Stulce, *Turner(Hamilton), *Cross, *Pinion, *Ridgeway).

Further consideration of Senate Bill No. 392, previously considered on March 22, 1995 and March 29, 1995, at which time the House was on the motion to adopt Amendment No. 2 and then reset the bill for today's Calendar.

Rep. Windle moved that Senate Bill No. 392 be passed on third and final consideration.

Rep. Cross moved that Amendment No. 2 be withdrawn, which motion prevailed.

Rep. Cross moved adoption of Amendment No. 3 as follows:

Amendment No. 3

AMEND Senate Bill No. 392 by adding the following new section immediately preceding the last section and by renumbering the subsequent section accordingly:

Section _____. Tennessee Code Annotated, Section 70-2-104, is amended by adding the following language as a new appropriately designated subsection:

() Residents of Tennessee who receive social security benefits due to mental retardation are entitled to the privilege of sport fishing upon presentation of evidence of such retardation satisfactory to the agency. Such resident shall be issued a permanent license for sport fishing.

On motion, Amendment No. 3 was adopted.

Rep. Windle moved that **Senate Bill No. 392**, as amended, be passed on third and final consideration, which motion prevailed by the following vote:

Ayes 92
Noes 0
Present and not voting 1

Representatives voting aye were: Armstrong, Arriola, Beavers, Bell, Bird, Bittle, Bowers, Boyer, Bragg, Brooks, Brown, Buck, Burchett, Byrd, Callicott, Cantrell, Chumney, Clabough, Cole (Carter), Cole (Dyer), Cross, Curtiss, Davidson, Davis, DeBerry, J., Dunn, Eckles, Fitzhugh, Ford, Fowlkes, Givens, Gunnels, Haley, Halteman, Harwell, Hargrove, Hassell, Head, Herron, Hicks, Huskey, Jackson, Jones, S., Jones, U. (Shelby), Kent, Kernell, Kerr, Kisber, Langster, Lewis, McAfee, McDaniel, McDonald, McKee, McMillan, Miller, Napier,

Newton, Odom, Patton, Peach, Phelan, Phillips, Pinion, Pruitt, Purcell, Ramsey, Rhinehart, Ridgeway, Rigsby, Rinks, Ritchie, Roach, Robinson, Sharp, Shirley, Stamps, Stulce, Tindell, Towns, Turner (Hamilton), Venable, Walley, West, Westmoreland, White, Whitson, Williams (Union), Williams (Williamson), Windle, Winningham, Wood, Mr. Speaker Naifeh -- 92.

Representatives present and not voting were: Joyce -- 1.

A motion to reconsider was tabled.

CHAIR TO SPEAKER

Mr. Speaker Naifeh resumed the Chair.

REGULAR CALENDAR, CONTINUED

House Bill No. 853 -- Hospitals and Health Care Facilities -- Grants supplemental powers of TCA Title 7, Chapter 57, to metropolitan hospital authorities created by private act in Hamilton, Knox, Davidson and Shelby counties; sets powers and duties. Amends TCA Title 7, Chapter 57, by *Stulce, *McAfee, *Brown, *Turner (Hamilton), *Sharp (*SB839 by *Crutchfield).

Rep. Stulce moved that House Bill No. 853 be passed on third and final consideration.

Rep. Byrd moved adoption of Health and Human Resources Committee Amendment No. 1 as follows:

Amendment No. 1

AMEND House Bill 853 by adding the following language at the end of Section 1(A):

For purposes of this act, a "hospital authority" means hospital authorities, hospital districts, and hospitals owned and operated by one (1) or more local governments directly or through an elected or appointed governing board.

AND FURTHER AMEND by deleting Section 3 in its entirety, and renumbering Sections 4, 5, 6 and 7 of the printed bill to become, respectively, Sections 3, 4, 5 and 6.

On motion, Amendment No. 1 was adopted.

Rep. Stulce moved that **House Bill No. 853**, as amended, be passed on third and final consideration, which motion prevailed by the following vote:

Ayes	94
Noes	0
Present and not voting	1

Representatives voting aye were: Armstrong, Arriola, Beavers, Bell, Bird, Bittle, Bowers, Bragg, Brooks, Brown, Buck, Burchett, Byrd, Callicott, Cantrell, Chumney, Clabough, Coffey, Cole (Carter), Cole (Dyer), Cross, Curtiss, Davidson, Davis, DeBerry, J., Dunn, Eckles, Fitzhugh, Ford, Fowlkes, Givens, Gunnels, Haley, Halteman

Harwell, Hargrove, Hassell, Head, Herron, Hicks, Huskey, Jackson, Jones, S., Jones, U. (Shelby), Joyce, Kent, Kernell, Kerr, Kisber, Langster, Lewis, McAfee, McDaniel, McDonald, McKee, McMillan, Miller, Napier, Newton, Odom, Patton, Peach, Phelan, Phillips, Pinion, Pruitt, Purcell, Ramsey, Rhinehart, Ridgeway, Rigsby, Rinks, Ritchie, Roach, Robinson, Sharp, Shirley, Stamps, Stulce, Tindell, Towns, Turner (Hamilton), Turner (Shelby), Venable, Walley, West, Westmoreland, White, Whitson, Williams (Union), Williams (Williamson), Windle, Winningham, Wood, Mr. Speaker Naifeh -- 94.

Representatives present and not voting were: Boyer -- 1.

A motion to reconsider was tabled.

House Bill No. 1030 -- Banks and Financial Institutions -- Repeals Tennessee Reciprocal Banking Act. Amends TCA Title 45. Repeals TCA Title 45, Chapter 12. by *Rhinehart, *Rigsby, *West, *Byrd, *Fitzhugh, *Hassell, *Rinks, *Hargrove (*SB117 by *Cooper).

Rep. Rhinehart moved that House Bill No. 1030 be passed on third and final consideration.

Rep. Rhinehart moved adoption of Commerce Committee Amendment No. 1 as follows:

Amendment No. 1

AMEND House Bill No. 1030 by deleting Section 2 in its entirety and by substituting instead the following:

Section 2. Tennessee Code Annotated, Title 45, Chapter 2, Part 14, is amended by deleting the Part in its entirety and by substituting instead the following:

Section 45-2-1401. Short title. This Part shall be known and may be cited as the "Bank Structure Act."

Section 45-2-1402. Definitions. As used in this Part, unless the context otherwise requires:

(1) "Appropriate regulatory officials" means:

(A) For any national bank, the Comptroller of the Currency of the United States.

(B) for any Tennessee-chartered bank, the Commissioner of Financial Institutions, the Federal Deposit Insurance Corporation, or the Board of Governors of the Federal System (if the Bank is a member Bank)

(2) "Bank" means any company, as hereinafter defined, authorized to do a banking business subject to the laws of this or any other jurisdiction;

(3) "Bank holding company" has the meaning set forth in Section (a)(1) of the Bank Holding Company Act of 1956, as amended (12 U.S.C. Section 1841 (a)(1));

(4) "Company" has the meaning set forth in Section 2(a)(1) of the Bank Holding Company Act of 1956, as amended (12 U.S.C. Section 1841(b));

(5) "Control" has the meaning set forth in Section 2(a)(2) of the Bank Holding Company Act of 1956, as amended (12 U.S.C. Section 1841(b));

(6) "De novo acquisition" means acquisition of shares of a bank prior to the time it is authorized to commence operations;

(7) "Home State" means:

(A) With respect to a national bank, the state in which the main office of the bank is located;

(B) With respect to a state bank, the state by which the bank is chartered; and

(C) With respect to a bank holding company, the state in which the total deposits of all banking subsidiaries of such company are the largest on the later of:

(i) July 1, 1966; or

(ii) the date on which the company becomes a bank holding company under the Federal Bank Holding Company Act of 1956, as amended;

(8) "Interim bank merger" means the technique by which a new bank charter is obtained solely for the purpose of merging an existing bank into the bank for which the charter is sought, or solely for the purpose of merging the bank for which the charter is sought into an existing bank; the technique is a transaction intended to qualify the exchange of stock between the bank holding company and the stockholders of the existing bank as a reorganization within the meaning of Section 268(a) of the Internal Revenue Code of 1986, as amended (26 U.S.C. Section 368(a));

(9) "Out-of-State bank" or "out-of-state bank holding company" means a bank or bank holding company which Tennessee is not the home state of such bank or company; and

(10) "Tennessee Bank" or "Tennessee bank holding company" means a bank or bank holding company for which Tennessee is the home state of such bank or company.

Section 45-2-1403. Prohibition and Exceptions. (a) Except as otherwise provided in Subsection (b) hereof, (i) no bank holding company acting directly or indirectly shall acquire control of, merge, or consolidate with a Tennessee bank which has not been in operation for at least five (5) years; and (ii) no out-of-state bank acting directly or indirectly shall acquire control of, merge, or consolidate with a Tennessee bank which has not been in operation for at least five (5) years.

(b) Subsection (a) hereof shall not prohibit the following transactions:

(1) An interim bank merger for the purpose of acquiring control of a Tennessee bank which has been in operation for at least five (5) years, but the requirement of such period of operation shall not apply if the bank holding company owned more than fifty percent (50%) of the shares of the bank prior to the time of merger by reason of the purchase of such shares in a de novo acquisition;

(2) Acquisition of control, merger or consolidation of any Tennessee bank in financial difficulty, as determined by the appropriate regulatory officials, provided such officials determine that such acquisition will protect the stockholders and depositors by maintaining financial soundness;

(3) Acquisition of shares of stock given as collateral security upon a debt contracted in good faith, provided that (i) such acquisition is necessary to prevent loss upon such debt; (ii) the making of such loan and the acquisition of such shares are in the ordinary course of business and not as a means of circumventing this Part; and (iii) the shares so acquired shall be sold or disposed of at public or private sale within a period of one (1) year from the acquisition thereof or by such later time as the appropriate Regulatory officials may deem required to permit the disposition of such shares without undue risk or loss;

(4) Acquisition of shares of stock by a bank acting solely in a fiduciary capacity in the ordinary course of its trust business and not for the purpose of circumventing this part; and

(5) Acquisition of control of a bank by a company which will become a Tennessee bank holding company solely by reason of such acquisition.

Section 45-2-1404. Acquisition by holding company prohibited. A bank holding company, or bank shall be prohibited from acquiring any bank in Tennessee if the bank

or bank holding company (including all insured depository institutions which are affiliates of the bank or bank holding company), upon consummation of the acquisition, would control thirty percent (30%) or more of the total amount of the deposits of the insured depository institutions in Tennessee. For purposes of this part "deposit" has the meaning set forth in section 3(1) of the Federal Deposit Insurance Act, 12 U.S.C. Section 1813 (1).

Section 45-2-1405. Power of commissioner. The commissioner has the power to establish rules and regulations to carry out the legislative purposes of this part.

SECTION 3. Tennessee Annotated Section 45-2-614 is amended by deleting Subsection (f) thereof in its entirety and substituting instead the following:

(f) No Tennessee bank or branch office or facility thereof which conducts the following transactions as an agent on behalf of another Tennessee bank, whether or not the Tennessee banks are affiliated through common control or otherwise, and no bank that is a subsidiary of a bank holding company or branch office or facility thereof which conducts the following transactions on behalf of another bank that is a subsidiary of the same bank holding company, shall be deemed a branch of the principal bank: receipt of deposits, renewal of time deposits, closing of loans, servicing of loans, and receipt of payments on loans and other obligations. The commissioner may establish by rule additional types of agency transactions, the performance of which shall not cause the agent bank to be deemed a branch of the principal bank. With respect to such agency relationships to which a Tennessee-chartered bank is to be a party, the commissioner may establish rules requiring receipt of notification, or approval, by the commissioner before such agency transactions are conducted. For the purposes of this subsection, "Tennessee bank" and "bank holding company" shall have the meanings set forth in T.C.A. Section 45-2-1402. SECTION 4

SECTION 4. Tennessee Code Annotated Section 45-2-614 is amended by deleting in its entirety and substituting instead the following:

Section 45-2-614. Branch banking.

(a) Any Tennessee-chartered bank may establish or otherwise acquire and maintain branch office, branch banks and other branch facilities for the conduct of its banking business at any location in Tennessee and, except as may be prohibited by applicable law of other jurisdictions, at any other location.

(b) No branch, branch office or other branch facility at which deposits may be accepted shall be established by a Tennessee-chartered bank until approved by the commissioner. In the event such application is disapproved and the applicant feels aggrieved, the applicant may have a review by

certiorari as provided in title 27, chapter 9. In the event the commissioner fails to approve or disapprove such application within ninety (90) calendar days after the submission thereof, such application shall be deemed to have been approved by the commissioner.

(c) A branch office, branch bank, or other branch facility shall not be established or acquired in Tennessee by any bank, except: (i) a Tennessee-chartered bank, (ii) a national bank which has its main office located in this state, or (iii) a bank which merges or consolidates with a bank described in clause (i) or (ii) hereof. This Subsection shall not be construed to prohibit the surviving or resulting bank following a merger or consolidation referenced in clause (iii) hereof from establishing and acquiring additional branch office, branch banks, and other branch facilities in this state.

(d) No Tennessee bank or branch office or facility thereof which conducts the following transactions as an agent on behalf of another Tennessee bank, whether or not the Tennessee banks are affiliated through common control or otherwise, and no bank that is a subsidiary of a bank holding company or branch office or facility thereof which conducts the following transaction on behalf of another bank that is a subsidiary of the same bank holding company, shall be deemed a branch of the principal bank: receipt of deposits, renewal of time deposits, closing of loans, servicing of loans, and receipt of payments on loans and other obligations. The commissioner may establish by rule additional types of agency transactions, the performance of which shall not cause the agent bank to be deemed a branch of the principal bank. With respect to such agency relationships to which a Tennessee-chartered bank is to be a party, the commissioner may establish rules requiring receipt of notification, or approval, by the commissioner before such agency transactions are conducted. For the purposes of this subsection, "Tennessee bank" and "bank holding company" shall have the meanings set forth in T.C.A. Section 45-2-1402.

SECTION 5. Tennessee Code Annotated, Title 45, is amended by adding as a new section the following:

Section _____. As used in this section:

(a)(1) "Depository institution" means:

(A)(i) an insured bank as defined in Section 3 of the Federal Deposit Insurance Act (12 U.S.C. Section 1813).

(ii) a mutual savings bank as defined in Section 3 of the Federal Deposit Insurance Act (12 U.S.C. Section 1813);

(iii) an insured credit union as defined in Section 101 of the Federal Credit Union Act (12 U.S.C. 1752);

(iv) a member as defined in Section 2 of the Federal Home Loan Bank Act (12 U.S.C. 1422); a savings association as defined in Section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813) which is an insured depository institution as defined in such Act; or

(vi) an association or entity which is wholly owned by or which consists only of institutions referred to in clauses (i) through (v); and

(B) is domiciled in the State of Tennessee, or has a branch lawfully doing business in Tennessee pursuant to the provisions of this Act.

(2) "Electronic cash dispensing device" means an electronic device other than a telephone operated by a consumer, through which a consumer may obtain cash by means of initiating an electronic fund transfer instruction to the consumer's depository institution to debit the consumer's deposit account. For purposes of this Act, the term "electronic cash dispensing device" includes, but is not limited to, automated teller machines.

(b) Only a depository institution, or an affiliate thereof, may own, establish or alone or, in combination with other persons, operate one or more electronic cash dispensing devices located or to be located in this state. Notwithstanding the foregoing, no person shall be deemed to own, establish, or operate an electronic cash dispensing device solely because such device is located on the premises of such person and such person received bona fide lease or rental payments, in the form of transaction fees or periodic payments, from the depository institution or wholly-owned subsidiary thereof which owns, established and operates such device.

SECTION 6. Nothing herein shall be deemed or construed so as to: (i) authorize or permit prior to June 1, 1997, merger or consolidation of any bank having its home state, as defined here in above in Section 2, in Tennessee with or into any bank which does not have its home state in Tennessee; or (ii) authorize or permit, whether before, on, or after June 1, 1997, a bank which does not have its home state in Tennessee to establish or acquire a branch in Tennessee by any means other than merger or consolidation, on or after June 1, 1997, of such bank with or into a bank having its home state in Tennessee.

SECTION 7. If any provision of this act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the act which can be give effect without invalid provision of

application, and to that end the provision of this act are declared to be severable.

SECTION 8. Section 1 - 3 of this Act shall take affect on September 29, 1995; Section 4 shall take effect on June 1, 1997; and all other sections shall take effect upon becoming a law, the public welfare requiring it.

On motion, Amendment No. 1 was adopted.

Rep. Rhinehart moved adoption of Commerce Committee Amendment No. 2 as follows:

Amendment No. 2

AMEND House Bill No. 1030 in the first sentence of subsection (b) of the amendatory language of Section 5 by inserting a comma "," between the words "establish or" and "alone or" .

AND FURTHER AMEND by deleting from the first sentence of subsection (b) of the amendatory language of Section 5 the comma "," between the words "alone or" and "in combination with" .

On motion, Amendment No. 2 was adopted.

Rep. Rhinehart moved that **House Bill No. 1030**, as amended, be passed on third and final consideration, which motion prevailed by the following vote:

Ayes	92
Noes	0
Present and not voting	2

Representatives voting aye were: Armstrong, Arriola, Beavers, Bell, Bird, Bittle, Bowers, Boyer, Bragg, Brown, Buck, Burchett, Byrd, Callicott, Cantrell, Chumney, Clabough, Coffey, Cole (Carter), Cole (Dyer), Cross, Curtiss, Davidson, Davis, DeBerry, J., Dunn, Eckles, Fitzhugh, Ford, Fowlkes, Givens, Gunnels, Haley, Halteman Harwell, Hargrove, Hassell, Head, Herron, Hicks, Huskey, Jackson, Jones, R. (Shelby), Jones, S., Jones, U. (Shelby), Joyce, Kent, Kernell, Kerr, Kisber, Langster, Lewis, McAfee, McDaniel, McDonald, McKee, McMillan, Miller, Napier, Newton, Odom, Patton, Peach, Phelan, Phillips, Pinion, Pruitt, Purcell, Ramsey, Rhinehart, Ridgeway, Rigbsby, Rinks, Ritchie, Roach, Robinson, Sharp, Shirley, Stamps, Stulce, Tindell, Turner (Hamilton), Turner (Shelby), Venable, Walley, Westmoreland, White, Whitson, Williams (Union), Williams (Williamson), Windle, Winningham, Mr. Speaker Naifeh -- 92.

Representatives present and not voting were: Brooks, West -- 2.

A motion to reconsider was tabled.

REQUEST TO CHANGE VOTE

Pursuant to **Rule No. 31**, the following member(s) desire to change their original stand from not voting to aye on House Bill No. 1030 and have this statement entered in the Journal: Rep(s). Wood.

REGULAR CALENDAR, CONTINUED

House Bill No. 1217 -- Insurance, Health, Accident -- Deletes requirement that directors or board members of nonprofit hospital service corporations serve without pay and that certain contracts between hospital and at least one board member be competitively bid. TCA Section 56-29-105(d). by *Rhinehart (*SB1505 by *Hamilton).

Rep. Rhinehart moved that House Bill No. 1217 be passed on third and final consideration.

Rep. Rhinehart moved adoption of Commerce Committee Amendment No. 1 as follows:

Amendment No. 1

AMEND House Bill No. 1217 by inserting the following language in Section 1 immediately after the word "entirety" and before the punctuation ".":

and by adding the following as a new subsection (d):

(d) (1) No contract for equipment or supplies may be entered into between a corporation subject to the provisions of this chapter and one (1) or more board members unless such contract shall be competitively bid.

(2) The compensation of a board member shall not exceed ten thousand dollars (\$10,000) per year.

(3) A board member shall not serve past the age of seventy (70).

Rep. Rhinehart requested that House Bill No. 1217 be moved to the heel of the Calendar, which motion prevailed.

House Bill No. 1218 -- Insurance, Health, Accident -- Includes, rather than excludes, nonprofit hospital and medical service organization as member insurer under Tennessee Life and Health Insurance Guaranty Association Act. Amends TCA Section 56-12-203. by *Rhinehart (*SB1190 by *Rochelle).

On motion, House Bill No. 1218 was made to conform with **Senate Bill No. 1190**; the Senate Bill was substituted for the House Bill.

Rep. Rhinehart moved that **Senate Bill No. 1190** be passed on third and final consideration, which motion prevailed by the following vote:

Ayes	72
Noes	5
Present and not voting	18

Representatives voting aye were: Armstrong, Bell, Bird, Bittle, Bowers, Boyer, Bragg, Buck, Burchett, Byrd, Callicott, Cantrell, Chumney, Clabough, Coffey, Cole (Carter), Cole (Dyer), Cross, Curtiss, Davidson, Davis, DeBerry, J., Dunn, Fitzhugh, Ford, Givens, Gunnels, Hargrove, Hassell, Head, Hicks, Huskey, Jones, R. (Shelby), Jones, S., Jones, U. (Shelby), Joyce, Kernell, Kerr, Langster, Lewis, McAfee,

McDaniel, McKee, McMillan, Miller, Napier, Newton, Odom, Patton, Phelan, Pinion, Pruitt, Purcell, Ramsey, Rhinehart, Ridgeway, Rigsby, Rinks, Roach, Robinson, Sharp, Stulce, Tindell, Turner (Hamilton), Turner (Shelby), Venable, Walley, Whitson, Williams (Williamson), Winningham, Wood, Mr. Speaker Naifeh -- 72.

Representatives voting no were: Arriola, Beavers, Eckles, Herron, Westmoreland -- 5.

Representatives present and not voting were: Brooks, Brown, Fowlkes, Haley, Halteman Harwell, Jackson, Kent, Kisber, McDonald, Peach, Phillips, Ritchie, Shirley, Stamps, West, White, Williams (Union), Windle -- 18.

A motion to reconsider was tabled.

House Bill No. 1465 -- Managed Care Organizations -- Extends time period for yearly assessment of members of Tennessee comprehensive health insurance pool to be due and payable from 30 to 45 days. Amends TCA Title 56. by *Rhinehart (*SB951 by *Rochelle, *Dixon).

Rep. Rhinehart moved that House Bill No. 1465 be passed on third and final consideration.

Rep. Rhinehart moved adoption of Commerce Committee Amendment No. 1 as follows:

Amendment No. 1

AMEND House Bill No. 1465 by deleting Section 1 of the printed bill in its entirety and substituting instead the following new sections:

SECTION 1. Tennessee Code Annotated, Section 56-2-201(1), is amended by deleting the word "and" between the words "organizations," and "long-term" and the punctuation ";" from the last phrase of the definition and by substituting instead the following:

and physician-hospital organizations as defined in Section 56-32-202(7).

SECTION 2. Tennessee Code Annotated, Section 56-32-202, is amended by the addition of the following new definition (7) and by the renumbering of subsequent definitions accordingly:

(7) "Physician-Hospital Organization" means an organization formed to allow hospitals and physicians to jointly obtain provider contracts with health maintenance organizations and other payers of health care benefits. The organization may obtain aggregate or excess stop-loss insurance coverage.

SECTION 3. Tennessee Code Annotated, Section 56-32-202(6), is amended by deleting the punctuation ";" and substituting instead the punctuation ".", and by adding the following new language at the end of the existing definition:

Additionally, the organization may provide or arrange for basic health care services on a prepayment or other financial basis with physician-hospital organizations as defined in Section 56-32-202(7);

SECTION 4. Tennessee Code Annotated, Section 56-32-204(a), is amended by adding the following language as new subdivision 3(E):

E) In the event the health maintenance organization enters into an agreement with any physician-hospital organization for the provision of basic health care services on a prepayment basis, such as described in T.C.A. Section 56-32-202(6), the Commissioner may not disallow such agreement on the basis that it transfers risk to such physician-hospital organization, provided that such health maintenance organization remains contractually responsible to its enrollees for the provision or arrangement of all such basic health care services; and

SECTION 5. Tennessee Code Annotated, Section 56-32-204(a), is further amended by redesignating the current subdivision 3(E) as subdivision 3(F), by deleting the punctuation ";", by deleting the word "and" from the subdivision, and by adding a period thereto.

SECTION 6. Tennessee Code Annotated, Section 56-32-221, is amended by adding the following new subsection:

(d) A physician-hospital organization which does not offer health benefit plans to the public and makes the services of its participating providers available to the public only through health benefit plans provided by entities legally authorized to do so shall not be deemed to be an insurer, health maintenance organization, or a hospital or medical service corporation, or governed by the laws applicable to such entities, except as such laws related to contracts between such entities and providers, nor shall such physician-hospital organization be deemed to be practicing medicine nor subject to the provisions of Title 63, Chapter 6, relating to the practice of medicine unless such physician-hospital organization is also licensed and regulated as a hospital or medical service corporation.

AND AMEND by renumbering Section 2 as Section 7.

On motion, Amendment No. 1 was adopted.

Rep. Rhinehart moved adoption of Commerce Committee Amendment No. 2 as follows:

Amendment No. 2

AMEND House Bill No. 1465 by deleting the punctuation ",," between the language "providers" and "nor" in the seventh line

of subsection (d) of Amendment 1, by substituting instead the punctuation " . " , and by deleting the subsequent language of the subsection in its entirety.

On motion, Amendment No. 2 was adopted.

Rep. Rhinehart moved adoption of Committee Amendment No. 3 as follows:

Amendment No. 3

AMEND House Bill No. 1465 by renumbering Section 2 as Section 8 and adding the following new Section 7:

SECTION 7. Nothing in this act shall be construed to affect the corporate practice of medicine or to affect in any way the provisions of Tennessee Code Annotated, Sections 68-11-205, 63-6-204(a) (1) and 63-6-225.

On motion, Amendment No. 3 was adopted.

Rep. Rhinehart moved adoption of Commerce Committee Amendment No. 4 as follows:

Amendment No. 4

AMEND House Bill No. 1465 by adding before the effective date section the following new section and renumbering the effective date section accordingly:

SECTION _____. Tennessee Code Annotated, Section 56-3-103, is amended by adding the following language at the end of the section:

The provisions of this section shall not bar a person who is an agent of an insurance company, in the normal course of business, from serving on the board or on a committee of an insurance company because such person receives commissions on insurance sales.

On motion, Amendment No. 4 was adopted.

Rep. Rhinehart moved adoption of Commerce Committee Amendment No. 5 as follows:

Amendment No. 5

AMEND House Bill No. 1465 by adding the following language between the words "enrollees" and "for" in the sixth line of new subdivision (E) in Section 4 of Amendment No. 1:

and to organizations or entities contracting with it

On motion, Amendment No. 5 was adopted.

Rep. Rhinehart moved that **House Bill No. 1465**, as amended, be passed on third and final consideration, which motion prevailed by the following vote:

Ayes 87
Noes 2

Present and not voting 6

Representatives voting aye were: Armstrong, Beavers, Bell, Bird, Bittle, Boyer, Bragg, Brown, Buck, Burchett, Byrd, Callicott, Cantrell, Chumney, Clabough, Coffey, Cole (Carter), Cole (Dyer), Cross, Curtiss, Davidson, Davis, DeBerry, J., Dunn, Eckles, Fitzhugh, Ford, Fowlkes, Givens, Gunnels, Haley, Halteman Harwell, Hargrove, Hassell, Head, Herron, Hicks, Huskey, Jackson, Jones, R. (Shelby), Joyce, Kent, Kernell, Kerr, Kisber, Langster, Lewis, McAfee, McDaniel, McDonald, McKee, McMillan, Miller, Napier, Newton, Odom, Patton, Phelan, Phillips, Pinion, Pruitt, Purcell, Ramsey, Rhinehart, Ridgeway, Rigsby, Ritchie, Roach, Robinson, Sharp, Shirley, Stamps, Stulce, Tindell, Towns, Turner (Hamilton), Turner (Shelby), Venable, Walley, White, Whitson, Williams (Union), Williams (Williamson), Windle, Winningham, Wood, Mr. Speaker Naifeh -- 87.

Representatives voting no were: Rinks, Westmoreland -- 2.

Representatives present and not voting were: Arriola, Bowers, Brooks, Jones, U. (Shelby), Peach, West -- 6.

A motion to reconsider was tabled.

House Bill No. 1344 -- Architects and Engineers -- Revises plans, specifications and reports which are required to have engineer's or architect's stamp. Amends TCA Title 62, Chapter 2. by *Garrett (*SB761 by *Haynes,*Crutchfield).

Speaker Naifeh moved that **House Bill No. 1344** be reset to the Calendar for Thursday, April 6, 1995, which motion prevailed.

***House Bill No. 1790** -- Education -- Requires that student who brings firearm onto school grounds without proper authorization be expelled from school for one year. Amends TCA 49-6-3401. by *Davis, *Kerr, *Bird, *Boyer, *Hicks, *Duer, *Coffey, *Westmoreland, *Newton, *Williams (Union), *Kent, *Beavers, *Cantrell, *Sharp, *Patton, *Ford S, *Roach, *Peach, *Wood, *Clabough, *Davis, *Haley, *McMillan (SB1778 by *Person, *Elsea, *Rice, *Atchley, *Carter, *Miller, *McNally).

Rep. Davis moved that **House Bill No. 1790** be passed on third and final consideration, which motion prevailed by the following vote:

Ayes 88
Noes 1
Present and not voting 2

Representatives voting aye were: Armstrong, Arriola, Beavers, Bird, Bittle, Bowers, Boyer, Bragg, Buck, Burchett, Byrd, Callicott, Cantrell, Chumney, Clabough, Coffey, Cole (Carter), Cole (Dyer), Cross, Curtiss, Davidson, Davis, DeBerry, J., Dunn, Eckles, Fitzhugh, Ford, Fowlkes, Givens, Gunnels, Haley, Halteman Harwell, Hargrove, Hassell, Head, Herron, Hicks, Huskey, Jackson, Jones, R. (Shelby), Jones, U. (Shelby), Joyce, Kent, Kernell, Kerr, Kisber, Lewis, McAfee, McDaniel, McDonald, McKee, McMillan, Miller, Napier, Newton, Odom, Patton, Peach, Phillips, Pinion, Purcell, Ramsey, Rhinehart, Ridgeway, Rigsby, Rinks, Ritchie, Roach, Robinson, Sharp, Shirley, Stamps, Stulce, Tindell, Towns, Turner (Hamilton), Turner (Shelby), Venable,

Walley, West, Westmoreland, White, Whitson, Williams (Union), Williams (Williamson), Windle, Wood, Mr. Speaker Naifeh -- 88.

Representatives voting no were: Phelan -- 1.

Representatives present and not voting were: Brooks, Brown -- 2.

A motion to reconsider was tabled.

House Bill No. 1496 -- Education, Higher -- Expands number of minority teaching fellowships from 76 to 116; repeals community college minority teaching scholarship program, except for current scholarship holders. Amends TCA 49-4-706. Repeals TCA 49-4-707. by *Jones U (Shelby), *Armstrong, *Miller L, *DeBerry L, *Jones R (Shelby) (*SB1577 by *Leatherwood).

Rep. Jones U (Shelby) moved that House Bill No. 1496 be reset to the Calendar for Wednesday, April 5, 1995, which motion prevailed.

House Bill No. 1495 -- Education, Higher -- Establishes "Tennessee Teaching Scholars Act." Amends TCA Title 49, Chapter 4. by *Jones U (Shelby), *Armstrong, *Miller L, *DeBerry L, *Jones R (Shelby) (*SB1578 by *Leatherwood).

Rep. Jones U (Shelby) moved that House Bill No. 1495 be reset to the Calendar for Wednesday, April 5, 1995, which motion prevailed.

House Bill No. 1544 -- Real Property -- Authorizes real estate appraiser commission to issue civil penalties of up to \$1,000; authorizes commission to audit experience requirements of license and certificate holders; deletes requirement that facsimile signature of chair of commission be on each license or certificate. Amends TCA 62-39-103, 204, 323, 326. by *Rigsby (*SB1637 by *Cooper).

Rep. Rigsby moved that **House Bill No. 1544** be passed on third and final consideration, which motion prevailed by the following vote:

Ayes 93
Noes 0

Representatives voting aye were: Armstrong, Arriola, Beavers, Bell, Bird, Bittle, Bowers, Boyer, Bragg, Brown, Buck, Burchett, Byrd, Callicott, Cantrell, Chumney, Clabough, Coffey, Cole (Carter), Cole (Dyer), Cross, Curtiss, Davidson, Davis, DeBerry, J., Dunn, Eckles, Fitzhugh, Ford, Fowlkes, Givens, Gunnels, Haley, Halteman Harwell, Hargrove, Hassell, Head, Herron, Hicks, Huskey, Jackson, Jones, R. (Shelby), Jones, S., Jones, U. (Shelby), Joyce, Kent, Kernell, Kerr, Kisber, Langster, Lewis, McAfee, McDaniel, McDonald, McKee, McMillan, Miller, Napier, Newton, Odom, Patton, Phelan, Phillips, Pinion, Pruitt, Purcell, Ramsey, Rhinehart, Ridgeway, Rigsby, Rinks, Ritchie, Roach, Sharp, Shirley, Stamps, Stulce, Tindell, Towns, Turner (Hamilton), Turner (Shelby), Venable, Walley, West, Westmoreland, White, Whitson, Williams (Union), Williams (Williamson), Windle, Winningham, Wood, Mr. Speaker Naifeh -- 93.

A motion to reconsider was tabled.

House Joint Resolution No. 193 -- Memorials, Public Service -- Former Germantown Mayor Charles Salvaggio, Lions Club "Citizen of the Year". by *Shirley, *Haley, *Hassell.

Further consideration of House Joint Resolution No. 193, previously considered on March 30, 1995, at which time it was objected to on the Consent Calendar, and reset for today's Calendar.

Rep. Shirley moved that **House Joint Resolution No. 193** be adopted and Rep. Head moved that all members voting aye be added as sponsors which motion prevailed by the following vote:

Ayes 91
Noes 0

Representatives voting aye were: Armstrong, Arriola, Beavers, Bell, Bird, Bittle, Bowers, Boyer, Bragg, Brooks, Brown, Burchett, Byrd, Callicott, Cantrell, Chumney, Clabough, Coffey, Cole (Carter), Cole (Dyer), Cross, Curtiss, Davidson, Davis, DeBerry, J., Dunn, Eckles, Fitzhugh, Ford, Fowlkes, Givens, Gunnels, Haley, Halteman, Harwell, Hargrove, Hassell, Head, Herron, Hicks, Huskey, Jones, R. (Shelby), Jones, S., Jones, U. (Shelby), Joyce, Kent, Kernell, Kerr, Kisber, Langster, Lewis, McAfee, McDaniel, McDonald, McKee, McMillan, Miller, Napier, Newton, Odom, Patton, Peach, Phillips, Pinion, Pruitt, Purcell, Ramsey, Rhinehart, Ridgeway, Rigsby, Rinks, Ritchie, Roach, Sharp, Stamps, Stulce, Tindell, Towns, Turner (Hamilton), Turner (Shelby), Venable, Walley, West, Westmoreland, White, Whitson, Williams (Union), Williams (Williamson), Windle, Winningham, Wood, Mr. Speaker Naifeh -- 91.

A motion to reconsider was tabled.

***Senate Bill No. 986** -- Parks, Natural Areas Preservation -- Removes right of persons over 65 to play golf for free on Mondays on state park courses operated by private management company or municipal or county government with direct financial risk in operations of course. Amends TCA Title 11, Chapter 3, Part 1. by *Wilder (HB1314 by *Walley).

Further consideration of Senate Bill No. 986, previously considered on March 30, 1995, at which time the House Bill was substituted for the Senate Bill and then reset for today's Calendar.

Rep. Walley moved that **Senate Bill No. 986** be passed on third and final consideration, which motion prevailed by the following vote:

Ayes 67
Noes 21
Present and not voting 5

Representatives voting aye were: Armstrong, Arriola, Beavers, Bell, Bird, Bittle, Bowers, Bragg, Brooks, Brown, Burchett, Byrd, Callicott, Cantrell, Clabough, Cole (Carter), Cole (Dyer), Curtiss, Davis, DeBerry, J., Dunn, Eckles, Fowlkes, Givens, Gunnels, Haley, Halteman

Harwell, Hassell, Head, Hicks, Jones, R. (Shelby), Jones, S., Jones, U. (Shelby), Joyce, Kent, Kernell, Kerr, Langster, Lewis, McAfee, McDaniel, McDonald, McKee, McMillan, Miller, Napier, Odom, Patton, Peach, Phelan, Phillips, Pruitt, Ramsey, Rhinehart, Rigsby, Rinks, Robinson, Sharp, Stamps, Stulce, Turner (Shelby), Venable, Walley, West, Westmoreland, Whitson, Williams (Union), Winningham, Wood -- 67.

Representatives voting no were: Buck, Chumney, Coffey, Cross, Davidson, Ford, Hargrove, Herron, Huskey, Kisber, Newton, Pinion, Purcell, Ridgeway, Ritchie, Roach, Shirley, White, Williams (Williamson), Windle, Mr. Speaker Naifeh -- 21.

Representatives present and not voting were: Boyer, Brooks, Brown, Tindell, Turner (Hamilton) -- 5.

A motion to reconsider was tabled.

REQUEST TO CHANGE VOTE

Pursuant to **Rule No. 31**, the following member(s) desire to change their original stand from aye to no on Senate Bill No. 986 and have this statement entered in the Journal: Rep(s). Williams (Union), Cole(Carter), Kent, Miller, Jones R (Shelby), West, Bell, Phillips, Odom and McMillan.

REGULAR CALENDAR, CONTINUED

House Bill No. 285 -- Utilities, Utility Districts -- Authorizes commissioners of South Blount County utility board by resolution to increase per diem for not more than 12 meetings to rate not exceeding \$250 per meeting for district having more than 3,000 users and \$100 per meeting for district having 3,000 or fewer users. Amends TCA Title 7, Chapter 82. by *Clabough (*SB38 by *Koella).

Further consideration of House Bill No. 285, previously considered on March 13, 1995, and then reset for today's Calendar.

On motion, House Bill No. 285 was made to conform with **Senate Bill No. 38**; the Senate Bill was substituted for the House Bill.

Rep. Clabough moved that Senate Bill No. 38 be passed on third and final consideration.

Rep. Rigsby moved that Senate Bill No. 38 be reset to the Calendar for Wednesday, April 5, 1995, which motion prevailed.

House Bill No. 1217 -- Insurance, Health, Accident -- Deletes requirement that directors or board members of nonprofit hospital service corporations serve without pay and that certain contracts between hospital and at least one board member be competitively bid. TCA Section 56-29-105(d). by *Rhinehart (*SB1505 by *Hamilton).

Further consideration of House Bill No. 1217, previously considered on today's Calendar.

Rep. Rhinehart moved that House Bill No. 1217 be passed on third and final consideration.

Rep. Rhinehart moved adoption of Commerce Committee Amendment No. 1 as follows:

Amendment No. 1

AMEND House Bill No. 1217 by inserting the following language in Section 1 immediately after the word "entirety" and before the punctuation ".":

and by adding the following as a new subsection (d):

- (d) (1) No contract for equipment or supplies may be entered into between a corporation subject to the provisions of this chapter and one (1) or more board members unless such contract shall be competitively bid.
- (2) The compensation of a board member shall not exceed ten thousand dollars (\$10,000) per year.
- (3) A board member shall not serve past the age of seventy (70).

On motion, Amendment No. 1 was adopted.

Rep. Rhinehart moved that **House Bill No. 1217**, as amended, be passed on third and final consideration, which motion prevailed by the following vote:

Ayes 55
Noes 18
Present and not voting 14

Representatives voting aye were: Armstrong, Beavers, Bell, Bird, Bittle, Bragg, Brown, Burchett, Byrd, Cantrell, Chumney, Clabough, Cole (Carter), Cole (Dyer), Curtiss, Davidson, Davis, Dunn, Fitzhugh, Givens, Gunnels, Halteman Harwell, Hargrove, Head, Huskey, Jackson, Kent, Kernell, Kerr, McAfee, McDaniel, McKee, Newton, Patton, Phelan, Pruitt, Ramsey, Rhinehart, Rigsby, Ritchie, Roach, Sharp, Shirley, Stamps, Stulce, Tindell, Turner (Hamilton), Venable, Walley, Whitson, Williams (Williamson), Windle, Winningham, Wood, Mr. Speaker Naifeh -- 55.

Representatives voting no were: Arriola, Buck, Callicott, Cross, Ford, Fowlkes, Haley, Herron, Hicks, Joyce, Kisber, McMillan, Peach, Pinion, Ridgeway, Rinks, Westmoreland, Williams (Union) -- 18.

Representatives present and not voting were: Boyer, Brooks, Eckles, Hassell, Langster, Lewis, McDonald, Miller, Napier, Odom, Phillips, Purcell, West, White -- 14.

A motion to reconsider was tabled.

UNFINISHED BUSINESS

NOTICE TO ACT ON SENATE MESSAGES

Pursuant to the suspension of **Rule No. 59**, notice was given that the following measure(s) from the Senate would be considered on Wednesday, April 5, 1995:

House Bill No. 598: Rep. Burchett.

House Bill No. 175: Rep. Givens.

House Bill No. 1113: Rep. Turner (Hamilton).

House Bill No. 173: Rep. Fowlkes.

BILLS WITHDRAWN

On motion of Rep. Buck, **House Bill No. 494** was recalled from the Judiciary Committee and withdrawn from the House.

On motion of Rep. Stulce, **House Bill No. 1279** was recalled from the State and Local Government Committee and withdrawn from the House.

On motion of Rep. Stulce, **House Bill No. 854** was recalled from the Health and Human Resources Committee and withdrawn from the House.

On motion of Rep. Newton, **House Bill No. 1599** was recalled from the Judiciary Committee and withdrawn from the House.

On motion of Rep. Lewis, **House Bill No. 1381** was recalled from the Judiciary Committee and withdrawn from the House.

RULES SUSPENDED

Rep. Hassell moved that the rules be suspended for the immediate consideration of Senate Joint Resolution No. 32 out of order, which motion prevailed.

Senate Joint Resolution No. 32 -- Memorials, Sports -- Patrick J. Wrenn. by *Person, *Kyle, *Cohen.

On motion, the rules were suspended for the immediate concurrence in the resolution.

On motion of Rep. Hassell, the resolution was concurred in.

A motion to reconsider was tabled.

SPONSORS ADDED

Under **Rule No. 43**, the following members were permitted to add their names as sponsors as indicated below, the prime sponsor of each having agreed to such addition:

House Bill No. 557: Rep(s). Givens as prime sponsor(s).

House Bill No. 643: Rep(s). Turner (Hamilton) as prime sponsor(s).

House Bill No. 795: Rep(s). West as prime sponsor(s).

House Bill No. 1054: Rep(s). Rinks and Bragg as prime sponsor(s).

House Bill No. 1089: Rep(s). Bittle and Davis as prime sponsor(s).

House Bill No. 1472: Rep(s). Brooks as prime sponsor(s).

House Bill No. 1691: Rep(s). McMillan as prime sponsor(s).

House Bill No. 1758: Rep(s). Buck as prime sponsor(s).

House Bill No. 1762: Rep(s). Buck as prime sponsor(s).

House Bill No. 1764: Rep(s). Buck as prime sponsor(s).

House Bill No. 1765: Rep(s). Buck as prime sponsor(s).

House Bill No. 1766: Rep(s). Buck as prime sponsor(s).

House Bill No. 1767: Rep(s). McDaniel as prime sponsor(s).

House Bill No. 1770: Rep(s). Buck as prime sponsor(s).

House Bill No. 1772: Rep(s). Buck as prime sponsor(s).

House Bill No. 1774: Rep(s). Buck as prime sponsor(s).

House Bill No. 1775: Rep(s). Westmoreland and Buck as prime sponsor(s).

House Bill No. 1777: Rep(s). Buck as prime sponsor(s).

House Bill No. 1778: Rep(s). Buck as prime sponsor(s).

MESSAGE FROM THE SENATE

April 3, 1995

MR. SPEAKER: I am directed to request the return of Senate Bill(s) No(s). 1202, for further consideration.

CLYDE W. McCULLOUGH, JR., Chief Clerk.

MESSAGE FROM THE SENATE

April 3, 1995

MR. SPEAKER: I am directed to transmit to the House, Senate Bill(s) No(s). 596, 791 and 923; all for the signature of the Speaker.

CLYDE W. McCULLOUGH, JR., Chief Clerk.

MESSAGE FROM THE SENATE
April 3, 1995

MR. SPEAKER: I am directed to return to the House, House Bill(s) No(s). 1845, 1849, and 1850; also, House Joint Resolution(s) No(s). 39, 120, 168, 170, 175, 176, 177 and 178; all signed by the Speaker.
CLYDE W. McCULLOUGH, JR., Chief Clerk.

MESSAGE FROM THE SENATE
April 3, 1995

MR. SPEAKER: I am directed to return to the House, House Bill(s) No(s). 584; substituted for Senate Bill(s) on the same subject(s) and passed by the Senate.

CLYDE W. McCULLOUGH, JR., Chief Clerk.

MESSAGE FROM THE SENATE
April 3, 1995

MR. SPEAKER: I am directed to return to the House, House Joint Resolution(s) No(s). 42, 56, 88, 181, 182, 183 and 184; all concurred in by the Senate.

CLYDE W. McCULLOUGH, JR., Chief Clerk.

ROLL CALL

The roll call was taken with the following results:

Present 95

Representatives present were: Armstrong, Arriola, Beavers, Bell, Bird, Bittle, Bowers, Boyer, Bragg, Brooks, Brown, Buck, Burchett, Byrd, Callicott, Cantrell, Chumney, Clabough, Coffey, Cole (Carter), Cole (Dyer), Cross, Curtiss, Davidson, Davis, DeBerry, J., Dunn, Eckles, Fitzhugh, Ford, Fowlkes, Givens, Gunnels, Haley, Halteman, Harwell, Hargrove, Hassell, Head, Herron, Hicks, Huskey, Jackson, Jones, R. (Shelby), Jones, S., Joyce, Kent, Kernell, Kerr, Kisber, Langster, Lewis, McAfee, McDaniel, McDonald, McKee, McMillan, Miller, Napier, Newton, Odom, Patton, Peach, Phelan, Phillips, Pinion, Pruitt, Purcell, Ramsey, Rhinehart, Ridgeway, Rigsby, Rinks, Ritchie, Roach, Robinson, Sharp, Shirley, Stamps, Stulce, Tindell, Towns, Turner (Hamilton), Turner (Shelby), Venable, Walley, West, Westmoreland, White, Whitson, Williams (Union), Williams (Williamson), Windle, Winningham, Wood, Mr. Speaker Naifeh -- 95.

RECESS MOTION

On motion of Rep. Purcell, the House recessed until 2:00 p.m., Wednesday, April 5, 1995.